



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-433-811]

Xanthan Gum from Austria: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (“Department”) preliminarily determines that xanthan gum from Austria is being, or is likely to be, sold in the United States at less than fair value (“LTFV”), as provided in section 733 of the Tariff Act of 1930, as amended (“the Act”). The period of investigation (“POI”) is April 1, 2011, through March 31, 2012. The estimated weighted-average dumping margin of sales at LTFV is shown in the “Preliminary Determination” section of this notice. The final determination will be issued 135 days after publication of this preliminary determination in the *Federal Register*.

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Drew Jackson or Karine Gziryan AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S.

Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4406 or (202) 482-4081, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Investigation

The scope of this investigation covers dry xanthan gum, whether or not coated or blended with other products. Further, xanthan gum is included in this investigation regardless of physical

form, including, but not limited to, solutions, slurries, dry powders of any particle size, or unground fiber.

Xanthan gum that has been blended with other product(s) is included in this scope when the resulting mix contains 15 percent or more of xanthan gum by dry weight. Other products with which xanthan gum may be blended include, but are not limited to, sugars, minerals, and salts.

Xanthan gum is a polysaccharide produced by aerobic fermentation of *Xanthomonas campestris*. The chemical structure of the repeating pentasaccharide monomer unit consists of a backbone of two P-1,4-D-Glucose monosaccharide units, the second with a trisaccharide side chain consisting of P-D-Mannose-(1,4)- P-DGlucuronic acid-(1,2) - a-D-Mannose monosaccharide units. The terminal mannose may be pyruvylated and the internal mannose unit may be acetylated.

Merchandise covered by the scope of this investigation is classified in the Harmonized Tariff Schedule of the United States at subheading 3913.90.20. This tariff classification is provided for convenience and customs purposes; however, the written description of the scope is dispositive.

Methodology

The Department has conducted this investigation in accordance with section 731 of the Act. Constructed export prices have been calculated in accordance with section 772 of the Act. Normal value (“NV”) has been calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* “Decision Memorandum for Preliminary Determination for the Antidumping Duty Investigation: Xanthan Gum from Austria,” (“Preliminary Decision Memorandum”) from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado,

Assistant Secretary for Import Administration, dated concurrently with this determination and hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <https://iaaccess.trade.gov>, and is available to all parties in the Department's Central Records Unit, located at room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found on the Internet at <http://www.trade.gov/ia/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Determination

The Department preliminarily determines that the following weighted-average dumping margins exist:

Exporter/Manufacturer	Weighted-Average Dumping Margin
Jungbunzlauer Austria AG	17.18 %
All Others	17.18 %

The "All Others" rate is based on the weighted-average dumping margin calculated for Jungbunzlauer Austria AG, the only company for which the Department calculated a rate.¹

Disclosure and Public Comment

We will disclose the calculations performed to parties in this proceeding within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Import Administration no later than seven days after the date on which the final verification

¹ See section 735(c)(5)(A) of the Act.

report is issued in this proceeding and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.² A table of contents, list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce. All documents must be filed electronically using IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.³ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Pursuant to requests from interested parties, we are postponing the final determination and extending the provisional measures from a four-month period to not more than six months. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.⁴

² See 19 CFR 351.309.

³ See 19 CFR 351.310(c).

⁴ See also 19 CFR 351.210(e).

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection (“CBP”) to suspend liquidation of all entries of xanthan gum from Austria as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register.

We will instruct CBP to require a cash deposit⁵ equal to the weighted-average amount by which the NV exceeds constructed export price, as indicated in the chart above. These suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission (“ITC”) Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary affirmative determination of sales at LTFV. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Paul Piquado
Assistant Secretary
for Import Administration

_January 3, 2013_____
Date

⁵ See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations, 76 FR 61042 (October 3, 2011).

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Scope of the Investigation
2. Targeted Dumping Allegation
3. Targeted Dumping Test
4. Fair Value Comparisons
5. Product Comparisons
6. Date of Sale
7. Constructed Export Price
8. Normal Value
 - a. Home Market Viability
 - b. Level of Trade
 - c. Cost of Production Analysis
 - d. Calculation of COP
 - e. Test of Comparison Market Sales Prices
 - f. Results of COP Test
9. Affiliation
10. Currency Conversion
11. Verification